



# INVESTMENT REPORT

Preliminary Report (before fees & income accruals)

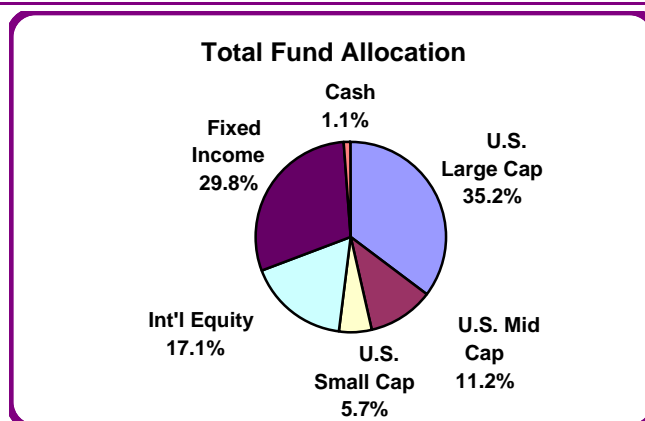
December 31, 2007

Current Value of the Fund	\$	1,185,030,251
Investment Change in Market Value FYTD	\$	36,759,233
Net Contributions FYTD	\$	14,725,669
Fiscal Year-to-Date Returns		3.6%
Month-to-Date Returns		-0.4%

<u>Dec-07</u>		<u>Fiscal Year to Date</u>		<u>Last Three Years</u>	
<b>Total Fund</b>	<b>-0.4%</b>	<b>Total Fund</b>	<b>3.6%</b>	<b>Total Fund</b>	<b>10.5%</b>
Benchmark	-0.6%	Benchmark	0.8%	Benchmark	8.7%
<b>U.S Equity</b>	<b>-0.5%</b>	<b>U.S Equity</b>	<b>-0.2%</b>	<b>U.S Equity</b>	<b>10.4%</b>
Benchmark	-0.6%	Benchmark	-1.8%	Benchmark	8.9%
<b>Int'l Equity</b>	<b>-1.1%</b>	<b>Int'l Equity</b>	<b>11.1%</b>	<b>Int'l Equity</b>	<b>21.2%</b>
Benchmark	-2.3%	Benchmark	0.4%	Benchmark	16.8%
<b>Fixed Income</b>	<b>0.3%</b>	<b>Fixed Income</b>	<b>6.1%</b>	<b>Fixed Income</b>	<b>4.5%</b>
Benchmark	0.3%	Benchmark	5.9%	Benchmark	4.6%

## Asset Allocation

	<u>Mkt Value</u>	<u>% Alloc</u>
Domestic Equity	\$ 616.6	52.0%
U.S. Large Cap	\$ 416.8	35.2%
U.S. Mid Cap	\$ 132.3	11.2%
U.S. Small Cap	\$ 67.5	5.7%
Int'l Equity	\$ 202.8	17.1%
Fixed Income	\$ 352.7	29.8%
Cash	\$ 12.9	1.1%
<b>Total Fund</b>	<b>\$ 1,185.0</b>	<b>100.0%</b>

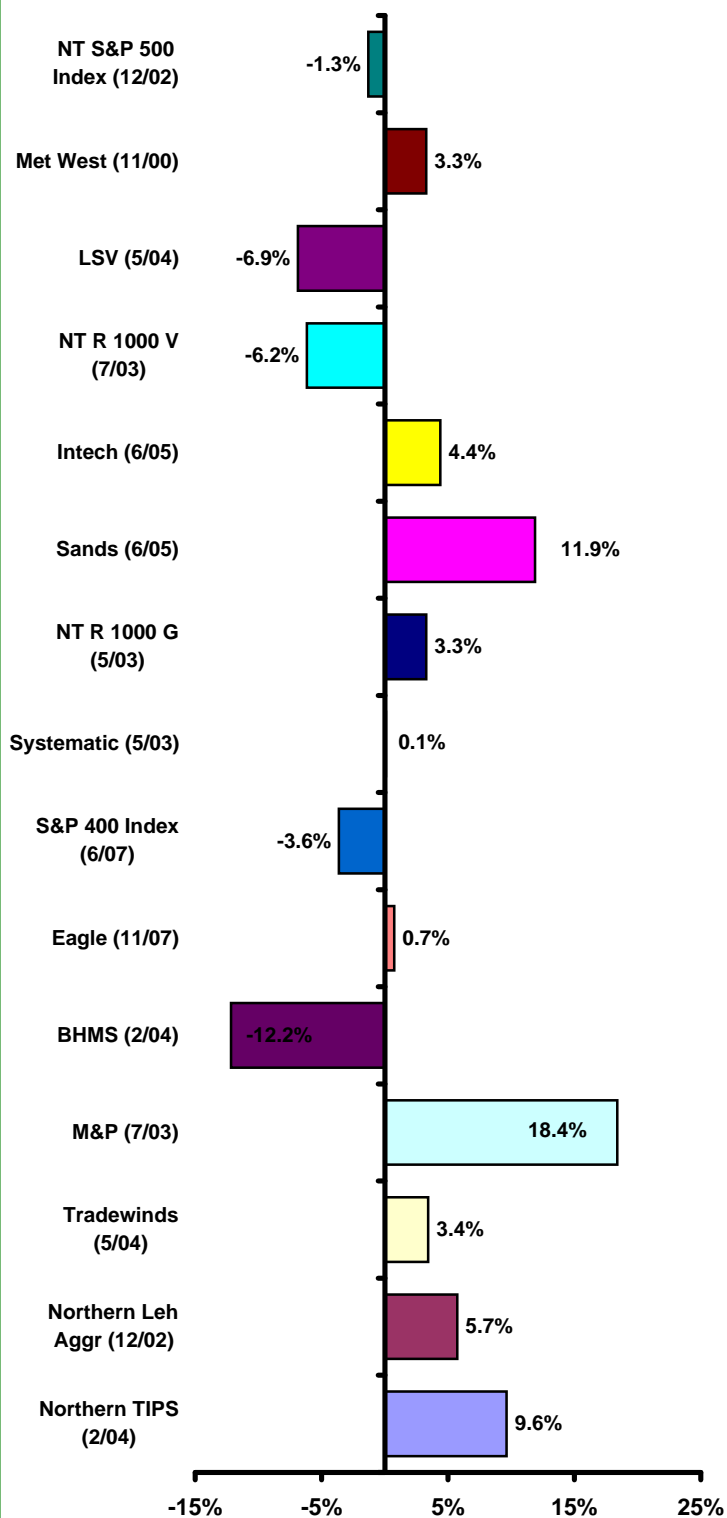


### Endowment Fund Staff Comment:

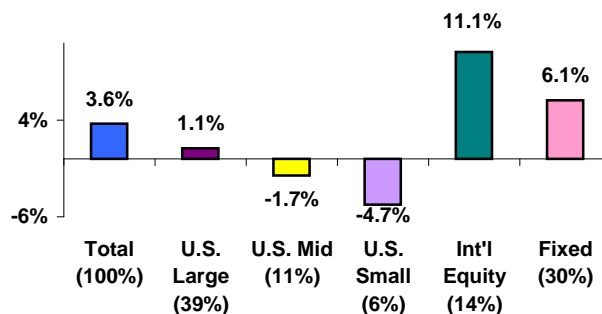
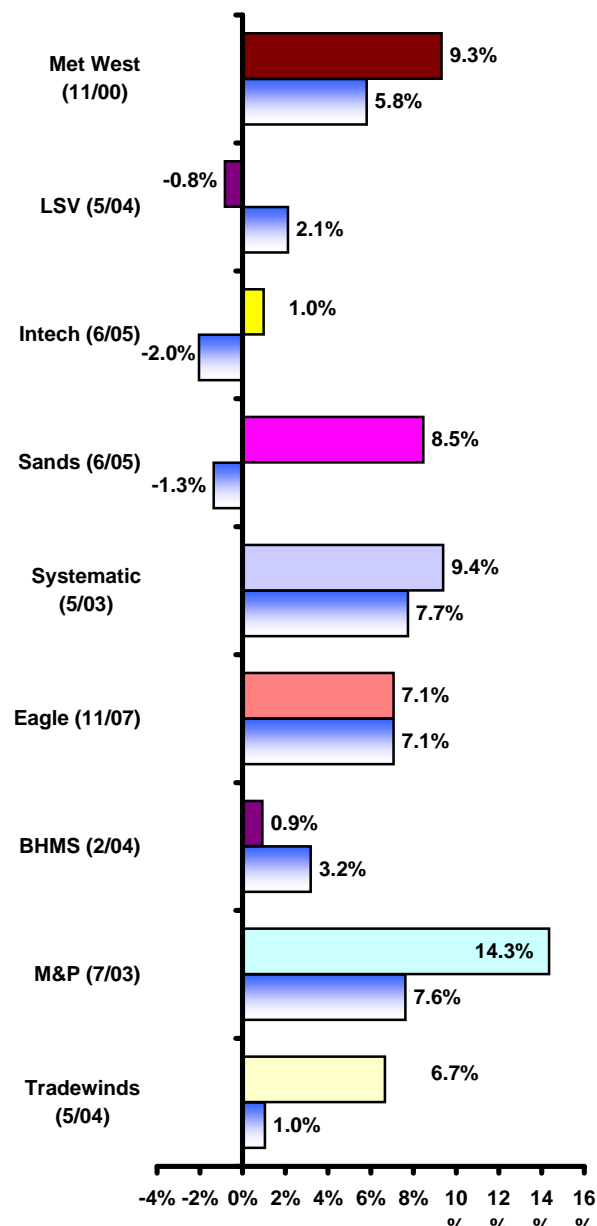
The equity markets were off in December over ongoing concerns that world economies are slowing, and the credit crunch. The S&P 500 lost 0.7% and MSCI EAFE International index lost 2.3%. Bonds were up a bit with the Lehman Aggregate Index showing a modest 0.3% gain for the month. In December, the fund was off 0.4%, but was 0.2% over benchmark. Six of nine active managers were ahead of their benchmark.

On a fiscal YTD basis, the fund is up 3.6%, 2.8% over its benchmark. Eight out of nine active managers are ahead of their benchmark.

## FYTD Manager Returns



## Fiscal YTD Total Returns

FYTD Active Manager Relative Returns  
3-Yr. Annualized Relative Returns\*

\* Inception to Date used when manager lacks a 3 yr. return